

TO: WIB Directors
Program Directors
Fiscal Agents

FROM: Betsy Bedwell, Deputy Commissioner
Field Operations/Program Development

DATE: October 25, 2001

SUBJECT: DWD Communication 2001-16
Coordinating the Trade Adjustment Assistance (TAA) Program
and the North American Free Trade Agreement – Transitional
Adjustment Assistance (NAFTA-TAA) Program with Other One-Stop
Partner Funding

RE: TAA/NAFTA-TAA, Workforce Investment Act, Wagner-Peyser, and
other partner funding

Purpose

To provide guidance concerning the coordination of the Trade Adjustment Assistance (TAA) Program and the North American Free Trade Agreement – Transitional Adjustment Assistance (NAFTA-TAA) Program primarily with Title I Workforce Investment Act (WIA) funding.

This guidance is based on Training and Employment Guidance Letter (TEGL) 5-00, released September 18, 2000 and Training and Employment Guidance Letter (TEGL) 21-00, released May 2, 2001. Please review and also follow the guidance provided in the two TEGLs from the Department of Labor. *The Department of Labor does not require the sole use of TAA/NAFTA-TAA funding to pay for training of co-enrolled clients. This policy provides the Department of Workforce Development's interpretation concerning coordination between NAFTA/TAA-TAA with other partner funding.*

Rescission

N/A

Content

The Department of Workforce Development is highly supportive of integrating services under the Trade Act Programs—Trade Adjustment Assistance (TAA) and North American Free Trade Agreement –Transitional Adjustment Assistance (NAFTA-TAA) – with the services provided under the Workforce Investment Act (WIA). Integration or co-enrollment can also be expanded to include other One-Stop partners to further increase the range of services for trade-impacted workers.

Most trade-affected workers meet dislocated worker eligibility criteria. So, they may qualify for rapid response and other WIA services before there has been a determination

made on the petition for eligibility under the trade programs. As covered in the two TEGLs from the Department of Labor, early intervention services under WIA-funded rapid response are very beneficial to potential trade-impacted workers. Those services may include orientation, surveying the workers, initial assessment of skill levels, aptitudes, and abilities, the provision of labor market services, job search assistance, stress management, financial management workshops, and other related services.

In providing services, an integrated approach can also help stretch limited resources within the One-Stop system as individuals move into more intensive services and the TAA or NAFTA-TAA eligibility has been established. In TEGL # 21-00, Attachment A provides good examples of how co-enrollment can benefit TAA/NAFTA-TAA customers and programs. These include gaining access to supportive services like child care and local transportation, as well as other services like in-depth assessment, interest inventories, reviews of transferable skills, career counseling, case management, and to certain kinds of training (incumbent worker, part-time, etc.) not normally covered by TAA or NAFTA-TAA programs.

Attachment A also covers the benefits of co-enrollment from the WIA customers and WIA program perspective. The benefits include additional training and income support resources for trade-certified individuals that can reduce WIA costs and possibly improve performance outcomes by coupling resources from both programs.

As indicated earlier, it is appropriate to use WIA funds for certain kinds of training that are not normally covered by the trade programs. It should, however, be standard practice that if trade funds are available, then those funds and not WIA funds should pay for the normal training costs appropriate for the trade programs. This practice complies with WIA Section 134(d)(4)(B) on how WIA training funds are to be used. It states that:

“(I) Except as provided in clause (ii), provision of such training services shall be limited to individuals who:

(I) are unable to obtain other grant assistance for such services, including Federal Pell Grants established under title IV of the Higher Education Act of 1965 (20 USC 1070 et seq.); or

(II) require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.

So, for the training costs normally covered by the trade programs, the presumptive source of funding for co-enrolled individuals should be TAA or NAFTA-TAA. However, our One-Stop system is focused on good customer service, which includes timely enrollment in appropriate training programs. For a variety of reasons, there can be delays in the availability of funding under the trade programs. Such delays may prevent a customer from enrolling in training on a timely basis (meeting school enrollment deadlines) unless another source of funding--including WIA--is used to initiate the training.

Therefore, DWD defines “unable to obtain other grant assistance” to include instances when TAA/NAFTA-TAA funds received by Indiana at the state-level have been obligated to their full extent. The definition also covers situations when a petition for TAA/NAFTA-TAA eligibility is pending, when a TAA/NAFTA-TAA contract is going through the state signature process, or when NAFTA/TAA enrollment process cannot meet school enrollment deadlines.

Other exceptions may be granted on a case-by-case basis by contacting the Trade Act Unit who will coordinate a case-by-case review with the Policy and Planning Section. Written responses to each of these “other exception” requests will be issued. In all TAA/NAFTA-TAA cases, the WIA case management file should contain the specific reason that TAA/NAFTA-TAA is not being used to fund the training.

In such instances, Title I WIA or other partner resources may be used to fund training, if the client is enrolled in that program. Once funds do become available under the trade programs there should be a transition of cost coverage to TAA/NAFTA-TAA. This should be done at the next fiscally convenient break point, usually the end of a semester or term. (Please note that TAA/NAFTA-TAA funds are not authorized to reimburse any training costs which were incurred and for which payment became due prior to the approval of the training program under the trade programs).

When WIA is used for funding the initial training costs, early coordination between programs is important to ensure that the training institution is on the eligible provider list, that it is a demand occupation, and that there is documentation that the client needs training in order to obtain employment.

Questions concerning the TAA/NAFTA-TAA program may be addressed to Sean Blancaneaux at 317/232-7186. Questions concerning this policy may be addressed to Thom Heeter at 317/232-7461.

Effective Date

Retroactive to July 1, 2001

Ending Date

June 30, 2004

Action

Local administrators should follow the guidance contained in this DWD Communication and in TEGL 5-00 and TEGL 21-00. Local administrators are advised that the Department of Workforce Development strongly encourages co-enrollment, but the final decision on co-enrollment still remains with the local partners. Local Workforce Investment Board policies, funding levels and other issues should and will influence both the decision to co-enroll and the various services provided by each partner under such an agreement.